



WORLD CUSTOMS ORGANIZATION
ORGANISATION MONDIALE DES DOUANES

Established in 1952 as the Customs Co-operation Council
Créée en 1952 sous le nom de Conseil de coopération douanière

HARMONIZED SYSTEM
REVIEW SUB-COMMITTEE

-
25th Session
-

NR0223E1
(+ Annexes I to III)

O. Fr.

Brussels, 11 January 2002.

POSSIBLE AMENDMENT OF HEADING 85.28 TO PROVIDE SEPARATELY FOR
SATELLITE TELEVISION RECEIVERS

(PROPOSAL BY THE EGYPTIAN ADMINISTRATION)

(Item III.A.13 on the Agenda)

Reference documents :

NR0185E1
NR0205E2, Annex D/3 (RSC/24 – Report)

I. BACKGROUND

1. At its 24th Session, the Review Sub-Committee examined the possibility of giving separate status to satellite television receivers in a new subheading in heading 85.28, on the basis of a proposal by the Egyptian Administration.
2. On that occasion, the Delegate of Japan said that television receivers able to receive both satellite signals and so-called conventional signals were available on the market, and expressed the view that the creation of a subheading for "satellite television receivers" would pose serious problems in respect of the classification of, and the distinction between, the various types of television receivers. His administration did not support the proposal by Egypt.
3. By the end of the discussions, it was clear that the Sub-Committee favoured the separate identification of satellite television receivers, although opinions were divided as between the two options presented in paragraphs 4 and 5 of Doc. NR0185E1, i.e., whether to provide for this apparatus in a one-dash subheading or a two-dash subheading in heading 85.28.

File No. 2858

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4. The Sub-Committee also wondered whether it would be necessary to provide subheadings for black and white television receivers in the 2007 version of the Harmonized System, given that the volume of trade in receivers of this kind was now very small. The Secretariat was asked to indicate, in the light of worldwide statistical data, whether these subheadings should be maintained. The Secretariat was also invited to investigate the "mixed" receivers referred to by Japan. Against that background, the Sub-Committee decided to place the two alternative texts proposed in Doc. NR0185E1 in square brackets, for examination at its 25th Session.

II. SUBSEQUENT DEVELOPMENTS AND SECRETARIAT COMMENTS

5. At the end of the Sub-Committee's 24th Session, the Delegate of Egypt handed the Secretariat some handwritten comments concerning his administration's original proposal, which are reproduced below :

"Modified proposal by Egypt for a new subheading for "satellite television receivers"

6. Regarding Egypt's proposal concerning the amendment of heading 85.28, we would like to add that :
7. Satellite television receivers differ from traditional television receivers; the latter have a display device such as a cathode-ray tube or a liquid crystal device (LCD), whereas satellite television receivers do not have a display device of any kind.
8. Egypt would also like to amend the text of the suggested new subheading to read as follows :
- 8528.40 – Satellite television receiver systems, cable television receivers.
9. The proposed new subheading would then cover satellite television receivers, dishes for these receivers, and also cable television receivers."
10. On 30 November 2001, the Japanese Administration sent the Secretariat a note providing trade statistics for television receivers able to receive both so-called conventional signals and satellite signals. In this connection, Japan proposed another alternative for the structured nomenclature of heading 85.28. The Note by Japan is reproduced below :
- "Possible amendment of heading 85.25 to provide separately for satellite television receivers
11. As described in paragraph 1 of Annex D/3 to Doc. NC0205E2 (RSC/24 - Report), there are television receivers which can receive both satellite signals and so-called conventional signals (i.e., mixed type television receivers).
12. According to the industry in Japan, approximately 30% of television receivers incorporate both a satellite signal receiver and a so-called conventional signal receiver, as indicated in the table below.

(Unit : M No.)

Year	Colour TVs (1)	(1)/(2)	
		Mixed types (2)	
1996	10,505	2,967	28.2 %
1997	9,792	2,685	27.4 %
1998	9,537	2,885	30.3 %
1999	9,757	3,061	31.4 %
2000	10,306	2,987	29.0 %

13. Therefore, with a view to resolving possible difficulties in the classification of mixed television receivers, we would like to propose the amendment of the text proposed in Option 2 of Annex F/10 to Doc. NR0205B2 as follows :

"85.28 Reception apparatus for television, whether or not incorporating radio-broadcast receivers or sound or video recording or reproducing apparatus; video monitors and video projectors.

- Reception apparatus for television, whether or not incorporating radio-broadcast receivers or sound or video recording or reproducing apparatus :

8528.11 -- Television receivers incorporating a satellite television receiver

8528.14 -- Other, colour

8529.15 -- Other, black and white or other monochrome

- Video monitors :

8528.21 -- Colour

8528.22 -- Black and white or other monochrome

8528.30 - Video projectors."

14. The Secretariat continues to believe that a two-dash subheading would be sufficient to meet Egypt's requirements. However, should the Sub-Committee decide otherwise, the Secretariat could also accept the separate identification of these apparatus in a one-dash subheading in heading 85.28.

15. The Secretariat has made enquiries with the UNSD, which reveal clearly that the international trade in black and white and other monochrome television receivers and video monitors is not declining (see Annex III hereto). Nevertheless, it is evident that the volume of trade in these apparatus – subheadings 8528.13 and 8528.22 – is significantly lower than is the case for colour apparatus. If the Sub-Committee decides to abolish the distinction between "colour" and "black and white or other monochrome" receivers, the proposals put forward at the last session will have to be amended, and a subheading will be needed for "other television receivers" which are not "satellite television receivers". The subheadings for "video monitors" will also need to be amended and renumbered.

16. In order to address these concerns, the Secretariat has put forward another solution alongside its first alternative, in which it has taken account of the possible deletion of the reference to black and white television receivers, and consequently has renumbered the subheadings of heading 85.28. There remains the question of whether, in the framework of this new proposal, satellite television receivers should take precedence over other television receivers, which would then fall in the residual subheading "Other".
17. In order to facilitate the work of the Sub-Committee, the Secretariat has reproduced at Annex I hereto the proposal by Japan and the modified proposal by Egypt. Egypt's original proposal, and the two alternatives proposed by the Secretariat, are reproduced at Annex II.
18. We would finally note that contrary to the Egyptian administration's thinking, satellite television receiver dishes would continue to be classified in heading 85.29 under all of these proposals.

III. CONCLUSION

19. The Sub-Committee is invited to proceed as follows :
 - (a) decide on the principle of whether to include satellite television receivers in a separate subheading in heading 85.28 or classify them with other television receivers; and, in the latter eventuality, choose between Japan's version and Egypt's modified version, both of which are reproduced at Annex I;
 - (b) if the Sub-Committee would prefer to provide separately for satellite television receivers, as previously decided, choose between the original proposal by Egypt and the two alternatives offered by the Secretariat, all of which are reproduced at Annex II;
 - (c) in any event, i.e., regardless of whether option (a) or (b) above is preferred, decide whether or not to cease distinguishing between "colour" and "black and white or other monochrome" apparatus.

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PROPOSAL BY JAPAN

["85.28 Reception apparatus for television, whether or not incorporating radio-broadcast receivers or sound or video recording or reproducing apparatus; video monitors and video projectors.

- Reception apparatus for television, whether or not incorporating radio-broadcast receivers or sound or video recording or reproducing apparatus :

8528.11 -- Television receivers incorporating a satellite television receiver

8528.14 -- Other, colour

8529.15 -- Other, black and white or other monochrome

- Video monitors :

8528.21 -- Colour

8528.22 -- Black and white or other monochrome

8528.30 - Video projectors"]

MODIFIED PROPOSAL BY EGYPT

["85.28 Reception apparatus for television, whether or not incorporating radio-broadcast receivers or sound or video recording or reproducing apparatus; video monitors and video projectors.

- Reception apparatus for television, whether or not incorporating radio-broadcast receivers or sound or video recording or reproducing apparatus, other than satellite television receivers :

8528.12 -- Colour

8528.13 -- Black and white or other monochrome

- Video monitors :

8528.21 -- Colour

8528.22 -- Black and white or other monochrome

8528.30 - Video projectors

8528.40 - Satellite television receiver systems, cable television receivers"]

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ORIGINAL PROPOSAL BY EGYPT

["85.28 Reception apparatus for television, whether or not incorporating radio-broadcast receivers or sound or video recording or reproducing apparatus; video monitors and video projectors.

- Reception apparatus for television, whether or not incorporating radio-broadcast receivers or sound or video recording or reproducing apparatus, other than satellite television receivers :

8528.12 -- Colour

8528.13 -- Black and white or other monochrome

- Video monitors :

8528.21 -- Colour

8528.22 -- Black and white or other monochrome

8528.30 - Video projectors

8528.40 - Satellite television receivers"]

SECRETARIAT PROPOSALS

ALTERNATIVE 1

["85.28 Reception apparatus for television, whether or not incorporating radio-broadcast receivers or sound or video recording or reproducing apparatus; video monitors and video projectors.

- Reception apparatus for television, whether or not incorporating radio-broadcast receivers or sound or video recording or reproducing apparatus :

8528.11 -- Satellite television receivers

8528.14 -- Other, colour

8528.15 -- Other, black and white or other monochrome

- Video monitors :

8528.21 -- Colour

8528.22 -- Black and white or other monochrome

8528.30 - Video projectors"]

ALTERNATIVE 2

["85.28 Reception apparatus for television, whether or not incorporating radio-broadcast receivers or sound or video recording or reproducing apparatus; video monitors and video projectors.

- Reception apparatus for television, whether or not incorporating radio-broadcast receivers or sound or video recording or reproducing apparatus :

8528.11 -- Satellite television receivers

8528.19 -- Other

8528.20 - Video monitors

8528.30 - Video projectors"]

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STATISTICAL DATA SUPPLIED BY THE UNSD

In thousands of US dollars

HS Heading	2000	1999	1998	1997	1996
8528.12	20,739,054,000	18,490,257,000	17,805,848,705	16,638,050,333	15,613,717,808
8528.13	215,322,000	203,668,000	179,562,204	155,443,866	182,122,721
8528.21	1,322,922,000	1,138,669,000	903,751,759	747,061,655	603,950,285
8528.22	190,639,000	174,916,000	169,835,968	177,074,055	141,764,214